

**701—29.3(423) Certificates of resale, direct pay permits, or processing.** When tangible personal property or service is sold in interstate commerce for delivery in Iowa, it shall be presumed that such property or service is sold for use in Iowa. The registered seller is required to collect use tax from the purchaser. If the tangible personal property or service sold for delivery in Iowa is not sold for use in Iowa and is not subject to use tax, the seller shall be required to secure a properly written certificate from the purchaser showing the exempt use to be made of the property or service. A seller may also take a valid exemption certificate and not collect use tax from a purchaser if the purchaser pays tax on the purchase directly to the department pursuant to a valid direct pay permit issued by the department.

When the registered seller repeatedly sells the same type of property or service to the same Iowa customer for resale or processing, the seller may, at the seller's risk, accept a blanket certificate covering more than one transaction. For more information regarding exemption certificates and direct pay permits, see rules 701—12.3(422) and 15.3(422,423), respectively.

Suggested forms of certificate may be obtained from the department upon request.